

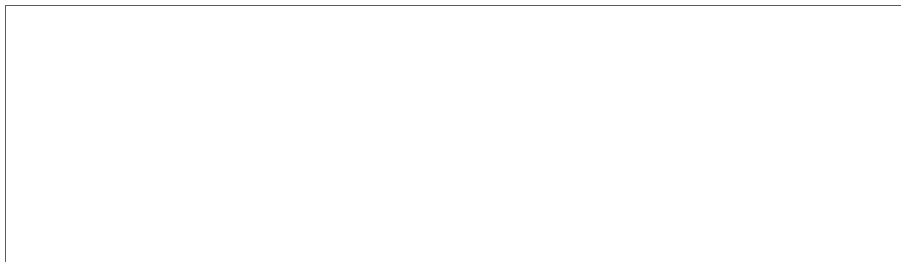
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8 July 1969

Report to CSP/ORD on the Implementation of the Federal Civil Service Retirement Law by the Central Intelligence Agency

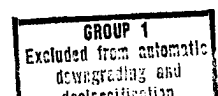
1. At the 2 June 1969 meeting of the ORD Career Service Panel, questions were raised concerning the Agency's implementation of the Retirement System of the Civil Service Commission, i.e., the Federal Government's system. Inequities were identified which have a significant implication to staff employees of this Office and, most clearly, must be considered in handling questions of career development. A committee composed of the undersigned was appointed to explore the matter. This report highlights items of interest. Paragraph 6 contains a recommendation for action by the CSP/ORD.

2. The following is quoted from



This quote is the Agency's implementation of the Federal Government's retirement policy established by the Civil Service Commission. Attachment 1 shows a representative action by the Office of Personnel in notifying an employee of his retirement status.

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3. The following quote is from Federal Employee Facts No. 3, August 1968, on the Civil Service Retirement System:

You must retire at age 70 after 15 or more years of service. You may retire at the following ages, and receive an immediate annuity, if you have at least the amount of Federal service shown:

<u>Earliest Age</u>	<u>Years of Service</u>
62	5
60	20
55	30

4. While individual cases vary, typically the Agency employee retired under the Civil Service system is required to sacrifice five years salary, at presumably, his highest level and to forego the significant benefits of five years protection from earned, accrued sick leave. Unlike the employee retired under the CIA Retirement and Disability System (CIARDS), the employee's annuity is based on Civil Service rates, not the significantly more favorable CIARDS rates. In short, the employee is severely penalized by being subjected to a unique implementation of the Federal Government's retirement policy. (Attachment 2)

5. In order to discharge Career Development responsibilities to the personnel of ORD/DD/S&T, it is essential that members of the CSP/ORD clearly communicate the Agency's implementation of the Civil Service System to staff employees. Implications to individuals clearly relate to lifetime earnings, to the desirability of a continuing Agency career

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GROUP 1 Excluded from automatic downgrading and declassification

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and to personal considerations of early retirement with its attendant problems. Answers to the following questions should provide a basis for effective staff counseling to those employees hired prior to the acquiring of signed statement on Retirement Understanding as a part of the employment process. (Attachment 3)

a. What is the purpose of the Agency's unique treatment of the retirement policy of the Federal Government?

b. When was the practice as quoted in paragraph 2 initiated?

c. Is any action planned to adjust the general policy to eliminate present injustices?

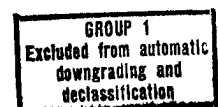
d. On request, can any employee hired prior to the use of the Retirement Understanding statement get an explicit statement of his service future, including extension of service term beyond minimums, to assist him in personal planning?

e. What are the criteria for the granting of exceptions to the general policy on retirement?

f. What is the interpretation and usage of the Retirement Understanding forms now executed by new employees? (Attachment 3)

6. The following resolution is offered for appropriate panel action:

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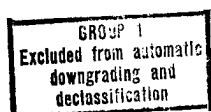
The CSP/ORD instructs the Executive Secretary of the Panel to obtain written answers to the questions presented in paragraph 5 above. The answers are to be distributed to panel members prior to the September meeting at which time the subject will be formally reviewed for its impact on the careers of Office employees.

The Executive Secretary (and ORD Personnel Officer) is instructed to utilize formal procedures and channels in carrying out this action.

7. This report completes the current tasking of this committee. Any further action awaits instructions from the Chairman, CSP/ORD.

Chairman/

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ATTACHMENT 2

Comparative Annuities, Monthly Rate

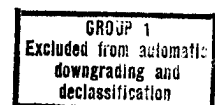
Basis: Retirement at age 60 with 20 years service and with maximum benefit to surviving spouse.

<u>High 5</u>	<u>CIARDS</u>	<u>CS</u>
10,000	322	294
15,000	473	430
20,000	623	566
25,000	772	702

Basis: Retirement with an additional 5 years service and with maximum benefits to surviving spouse.

<u>High 5</u>	<u>CIARDS</u>	<u>CS</u>
10,000	298	369
15,000	585	543
20,000	772	716
25,000	960	890

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